



U. S. Department of Housing and Urban Development

Atlanta Contracting Operations  
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<http://www.hud.gov/cts/ctsatl.html>

Office of the Chief Procurement Officer

August 3, 2000

**THIS IS A 100% SMALL BUSINESS SET-ASIDE**

This Request for Quotations R-ATL-01481, replaces RFQ P-ATL-01438, issued June 29, 2000. This RFQ is for services associated with issuing corrections or duplicate copies of Mortgage Insurance Certificates. A Mortgage Insurance Certificate (MIC is issued by HUD, or by contractors on HUD's behalf, when a home is purchased with a mortgage insured by the Federal Housing Administration. Occasionally a MIC has an error, and is returned to the Department for correction. Most errors made by the endorsement contractor are to be corrected by the endorsement contractor. Errors made by HUD staff, or as a result of situations beyond the endorsement contractors' control, are to be corrected by this contractor who receives this contract.

This RFQ changes the original RFQ in several respects:

1. The statement of work has been restated to clarify the requirements associated with handling requests for corrections, and to distinguish two distinct elements of the work. Task I will require logging and tracking all requests for corrections or duplicate certificates. Task II will cover all other work associated with making corrections and issuing certificates on cases which are not assigned to the endorsement contractor.
2. The Response sheet provides for separate pricing for Task I and Task II. Both tasks are to be performed on-site in the Atlanta Home Ownership Center.
3. The workload estimates have been revised, and divided as follows:
  - It is estimated that less than 3% of MICs are returned for corrections. The Atlanta HOC will receive approximately 7500 requests for corrections or duplicate MICs during a fiscal year. Such requests may not be evenly distributed throughout the year, and tend to follow fluctuations in the housing market.
  - Approximately 15% of the requests will require TASK II action by the contractor.
4. In addition to the Response Sheet, interested parties should submit a technical summary, not to exceed five pages, clearly demonstrating the contractor's experience, qualifications and approach to performing this work, and identifying any past contracts or other experience relating to similar work.

The Response Sheet and technical summary must be submitted to the address above, attention: Charles Liphthrott, Contract Specialist, by 3:00 PM, August 15, 2000. Fax responses will be accepted at 404 730-3426, but must be limited to six pages. If you have any questions regarding this matter, please call Charles Liphthrott at 404 331-5001 extension 2563.

Sincerely yours,

Michael L. Swan  
Atlanta Operations Branch

Enclosures

RESPONSE SHEET  
Mortgage Insurance Certificate Corrections  
Atlanta Home Ownership Center  
Atlanta, GA

OFFEROR'S NAME: \_\_\_\_\_  
and ADDRESS: \_\_\_\_\_  
\_\_\_\_\_

CONTACT PERSON: \_\_\_\_\_  
TELEPHONE NUMBER: \_\_\_\_\_  
FAX NUMBER: \_\_\_\_\_

**PROPOSED PRICING :**

As total compensation for all services performed in accordance with each request for correction or duplicate MIC the Contractor shall be paid as follows:

Task I - Logging, tracking, and disposition of requests

\$\_\_\_\_\_ per case

Task II - Issue corrective or duplicate MIC in accordance with request

\$\_\_\_\_\_ per corrected or duplicate MIC

**Qualification requirements** are set forth in Paragraph 5 of the SOW. Technical experience related to HUD/FHA requirements may have been acquired in closing sales or preparing endorsement files for properties with FHA mortgage insurance.

**IN ADDITION TO THE RESPONSE SHEET, INTERESTED PARTIES SHOULD SUBMIT A TECHNICAL SUMMARY, NOT TO EXCEED FIVE PAGES, CLEARLY DEMONSTRATING THE FOLLOWING ITEMS:**

- (a) Experience and qualifications relating to the requirements of this contract
- (b) Contractors approach to performing this work.
- (c) Past contracts or other experience relating to similar work.

OFFEROR'S SIGNATURE: \_\_\_\_\_

DATE: \_\_\_\_\_

## **STATEMENT OF WORK**

### 1. Description of work

- a. Mortgage Insurance Certificates are issued by HUD, or on HUD's behalf by contractors when a home is purchased with a mortgage insured by the Federal Housing Administration. Occasionally a Mortgage Insurance Certificate(MIC) has an error, and is returned to the Department for correction. Most errors made by the endorsement contractor are to be corrected by the endorsement contractor. Errors made by HUD staff, or as a result of situations beyond the endorsement contractors' control, are to be corrected by this contractor. Occasionally lenders request duplicate copies of MICs.
- b. Task I and II will be performed on site in the Atlanta Home Ownership Center (HOC), utilizing HUD computer equipment. MIC corrections require access to HUD's Computerized Homes Underwriting Management System(CHUMS).
- c. Requests for corrections are placed into a mailbox for the contractor. The contractor will be responsible for opening requests, sorting them by type, logging and tracking the requests, and returning the corrected/duplicate MIC or the rejected request to the requester.
- d. CHUMS files are archived (Purged) after 13 months. Some cases may require restoration of the data to the active system. It takes 24 hours for files to be restored and the data stays on the system approximately two weeks.
- e. Corrective action which is not the responsibility of an endorsement contractor will be made by the contractor in accordance with HUD regulations and instructions, following the instructions set forth below.

### 2. Task I - Logging, tracking, and disposition of requests

- a. Open, sort and log incoming items, and distribute within 24 hours of receipt. Any items which were placed in the contractors mail box in error (i.e., misdirected mail), should be redirected promptly to the HUD Contact.
- b. Contractor shall use HUD's MIC Correction Tracking Log to track each request from receipt through completion and return. This log is to be kept current daily as to the status and disposition of each case, including cases for which Contractor is performing MIC correction work (Task II).
- c. Staple together all items accompanying each request to assure that they do not get misplaced or misdirected.
- d. Determine that the necessary documentation that supports the requested correction has been submitted. These documents will vary with the type of correction requested.
- e. Return incomplete requests to the lender, indicating additional information/documentation that is needed, utilizing the form letter as specified by HUD. Contractor will not initiate independent written or verbal contact with the lender.
- f. Forward cases to endorsement contractors for correction, unless the request is to change the FHA case number, the mortgage amount, or the address of the property.
- g. Follow-up with endorsement contractor as necessary until received and returned to requester.
- h. All tasks are to be completed within five (5) days of receipt, including follow-up to assure receipt by endorsement contractor, or work done in accordance with Task II.

3. Task II - Issue corrective or duplicate MIC in accordance with request

- a. Contractor shall prepare corrective/duplicate MICs in the following cases:
  - 1) All written requests for duplicate MICs.
  - 2) Correction of MIC which was endorsed by HUD staff.
  - 3) Correction of MIC endorsed before February 1, 1998.
  - 4) Correction of errors which require access rights which the endorsement contractors do not have (e.g., change of address, change of mortgage amount, correction of case number).
  - 5) Errors that require recall of the case binder from the records center.
- b. On the CHUMS Case Warning Screen (CWS), enter "Received Correction Request ATL HOC, [operator initials & date]"
- c. Recall case binder from Federal Records Center if data in CHUMS appears inconsistent with documentation provided with correction request and in other situations where it seems warranted.
  - 1) Any significant change requires the recall of a case binder.
  - 2) If case binders must be recalled, the contractor will prepare the request and forward via e-mail to the designated HUD staff. All case binders recalled from the Federal Records Center will be logged as required by HUD.
- d. Requests for corrections which CANNOT be supported based upon available documentation (including the case binder as appropriate) shall be returned to the Requester with an explanation.
  - 1) Return the original MIC/a duplicate MIC to the requester
  - 2) Update the CWS with the reason the correction cannot be made.
  - 3) If a principal reduction (PR) should have been applied prior to endorsement but was not, evidence of the PR is required. Otherwise, it will be sent for indemnification. If the lender refuses to provide evidence of the PR, or refuses to apply a PR), notify the HUD Staff contact
- e. Requests for corrections which CAN be made shall comply with the appropriate procedures detailed below:
  - 1) BORROWER AND/OR ADDRESS CHANGE: Check the CWS. If the appraisal, note, mortgage and other documents in file agree with request, double-check the other data in file (i.e., type of loan & construction, the borrower's names, etc.) to ensure the correct case number was used. Also confirm data in file against the data in CHUMS.
  - 2) INCREASE MORTGAGE AMOUNT: Check the CWS. Compare the amount approved on the Mortgage Credit Analysis Worksheet (MCAW) with amount closed on the Note and HUD-1, review pay history to determine if a principal reduction was applied, and review the MCAW (2900-WS or 2900-PUR) for any notes re: statutory limits, etc. Be alert to any discrepancies that may explain why this error occurred.
    - a) If the mortgage amount should be increased, correct mortgage amount on the post-endorsement change screen and issue the corrected MIC.
    - b) If the mortgage amount increase is too high or if additional MIP is required (excess MIP may have been refunded to the lender - H04 screen in SFIS can be helpful in determining this), send the appropriate form letter to the lender requesting payment of the additional MIP and notification of this office when the MIP is posted to CHUMS (as verified on FHAC Query Screen). Once additional MIP is shown in CHUMS, proceed to issue the corrective MIC.

- c) If the lender responds that the additional MIP was rejected by the SFPCS:
  - i. Print a copy of the F6 screen for the binder (to keep endorsement date & ID#)
  - ii. Correct Mortgage Amount (and any other errors noted)
  - iii. Go to the "Case Status" screen to see the amount of MIP due (type MA at bottom of 9100 screen) - note amount due in file.
  - iv. Input the following on the CWS screen: "Recalled binder re: mtg amt. \$???.?? add. MIP (+ penalties & interest) must be paid to issue a corrected MIC.[initials]"
  - v. If additional Principal Reduction (or evidence of PR is required), input or add to the comments: "Provide pay hist showing PR of \$-- (or add PR of \$--)"
  - vi. Screen print a copy on plain paper for binder - **DO NOT PRINT Notice of Rejection (NOR) IN CHUMS ON BLUE FORM!!!!**
  - vii. Complete and return the additional instructions form letter to the requesting lender. Make a copy for the binder.
  - viii. Follow-up as required to assure lender response. Lender should fax information when the actions are completed, but may pay MIP and neglect to notify Contractor.
  - ix. When MIP is paid, proceed to issue corrective MIC.

3) Input the corrected MIC data into CHUMS, and issue a corrected MIC.

- f. Print the corrected MIC. Annotate the MIC as directed by the HUD staff, and obtain necessary signature on the corrected MIC.
- g. Prepare MIC and copy of request for return to requester, and place in designated out-going mail box.

4. Files :

- a. Contractor is responsible for maintaining requests and binders in specified file location when not in use, arranged by case # prefix.
- b. Copies of requests and supporting documentation must be included in case binders to support any changes.
- c. Binders which are no longer needed must be prepared promptly for return to the Federal Records Center, through the designated HUD Staff person.
- d. Contractor is responsible for maintaining the integrity of the log, and for reconstructing log entries as required.

5. Qualifications:

- a. Contractor must have a working knowledge of FHA closing and insuring requirements as set forth in HUD regulations and guidelines. This includes, but is not limited to, case types, ADP codes, required provisions for the note, mortgage, deed of trust, HUD-1 , URLA, HUD 9-2900A, URAR, HUD 9-2900-PUR and HUD 9-2900-WS.
- b. Contractor must be familiar with personal computers and standard office applications. The contractor must become familiar with required computer systems, including the Computerized Homes Underwriting Management System(CHUMS), and other data essential to the contract.

6. Primary Handbook reference: HUD Handbook 4165.1, REV-1, Endorsement for Insurance for Home Mortgage Programs. This Handbook is available at HUD's Centralized Distribution Center at 1 (800) 767-7468, or can be downloaded from HUD's website. See A.2.(c).

7. Orientation and Training: Contractor staff involved with performance of this work shall attend training as required by HUD. The training will be provided by designated HOC staff and will include the CHUMS system and other pertinent program requirements.

## ADDITIONAL PURCHASE ORDER TERMS AND CONDITIONS

### A.1 NOTICE LISTING CLAUSES INCORPORATED BY REFERENCE

The following clauses are hereby incorporated by reference (by Citation Number, Title, and Date) in accordance with the clause at FAR "52.252-2 CLAUSES INCORPORATED BY REFERENCE" contained in this document. FAR 52.252-2 contains the Internet address for electronic access to the full text of a clause.

NUMBER	TITLE	DATE
52.216-22	INDEFINITE QUANTITY	OCT 1995
52.222-1	NOTICE TO THE GOVERNMENT OF LABOR DISPUTES	FEB 1997
52.222-42	STATEMENT OF EQUIVALENT RATES FOR FEDERAL HIRES	MAY 1989
52.222-43	FAIR LABOR STANDARDS ACT AND SERVICE CONTRACT ACT-PRICE ADJUSTMENT (MULTIPLE YEAR AND OPTION CONTRACTS)	MAY 1989
52.223-6	DRUG-FREE WORKPLACE	JAN 1997
52.232-23	ASSIGNMENT OF CLAIMS	JAN 1986
52.243-1	CHANGES--FIXED PRICE ALTERNATE I (APR 1994)	AUG 1987
52.249-4	TERMINATION FOR CONVENIENCE OF THE GOVERNMENT (SERVICES) (SHORT FORM)	APR 1984

### A.2 52.213-4 TERMS AND CONDITIONS-SIMPLIFIED ACQUISITIONS (OTHER THAN COMMERCIAL ITEMS) (JUN 1999)

(a) The Contractor shall comply with the following Federal Acquisition Regulation (FAR) clauses that are incorporated by reference:

(1) The clauses listed below implement provisions of law or Executive order:

- (i) 52.222-3, Convict Labor (Aug 1996) (E.O. 11755).
- (ii) 52.233-3, Protest After Award (Aug 1996) (31 U.S.C. 3553).

(2) Listed below are additional clauses that apply:

- (i) 52.225-11, Restrictions on Certain Foreign Purchases (Aug 1998).
- (ii) 52.232-1, Payments (Apr 1984).
- (iii) 52.232-8, Discounts for Prompt Payment (May 1997).
- (iv) 52.232-11, Extras (Apr 1984).
- (v) 52.232-25, Prompt Payment (Jun 1997).
- (vi) 52.233-1, Disputes (Dec 1998).
- (vii) 52.244-6, Subcontracts for Commercial Items and Commercial Components (Oct 1998).
- (viii) 52.253-1, Computer Generated Forms (Jan 1991).

(b) The Contractor shall comply with the following FAR clauses, incorporated by reference, unless the circumstances do not apply:

(1) The clauses listed below implement provisions of law or Executive order:

(i) 52.222-20, Walsh-Healey Public Contracts Act (DEC 1996) (41 U.S.C. 35-45) (Applies to supply contracts over \$10,000 in the United States).

(ii) 52.222-26, Equal Opportunity (Feb 1999) (E.O. 11246) (Applies to contracts over \$10,000).

(iii) 52.222-35, Affirmative Action for Disabled Veterans and Veterans of the Vietnam Era (Apr 1998) (38 U.S.C. 4212) (Applies to contracts over \$10,000).

(iv) 52.222-36, Affirmative Action for Workers with Disabilities (Jun 1998) (29 U.S.C. 793) (Applies to contracts over \$10,000).

(v) 52.222-37, Employment Reports on Disabled Veterans and Veterans of the Vietnam Era (Jan 1999) (38 U.S.C. 4212) (Applies to contracts over \$10,000).

(vi) 52.222-41, Service Contract Act of 1965, As Amended (MAY 1989) (41 U.S.C. 351, et seq.) (Applies to service contracts over \$2,500).

(vii) 52.223-5, Pollution Prevention and Right-to-Know Information (APR 1998) (E.O. 12856) (Applies to services performed on Federal facilities).

(viii) 52.225-3, Buy American Act--Supplies (JAN 1994) (41 U.S.C. 10) (Applies to supplies, and to services involving the furnishing of supplies, if the contract was--

(A) Under \$25,000; or

(B) Set aside for small business concerns, regardless of dollar value).

(ix) 52.232-33, Payment by Electronic Funds Transfer--Central Contractor Registration (May 1999). (Applies when the payment will be made by electronic funds transfer (EFT) and the payment office uses the Central Contractor Registration (CCR) database as its source of EFT information.)

(x) 52.232-34, Payment by Electronic Funds Transfer--Other than Central Contractor Registration (May 1999). (Applies when the payment will be made by EFT and the payment office does not use the CCR database as its source of EFT information.)

(2) Listed below are additional clauses that may apply:

(i) 52.209-6, Protecting the Government's Interest When Subcontracting with Contractors Debarred, Suspended, or Proposed for Debarment (JULY 1995) (Applies to contracts over \$25,000).

(ii) 52.211-17, Delivery of Excess Quantities (SEPT 1989) (Applies to fixed-price supplies).

(iii) 52.247-29, F.o.b. Origin (JUN 1988) (Applies to supplies if delivery is f.o.b. origin).

(iv) 52.247-34, F.o.b. Destination (NOV 1991) (Applies to supplies if delivery is f.o.b. destination).

(c) FAR 52.252-2, Clauses Incorporated by Reference (FEB 1998). This contract incorporates one or more clauses by reference, with the same force and effect as if they were given in full text. Upon request, the Contracting Officer will make their full text available. Upon request, the Contracting Officer will make their full text available. Also, the full text of a clause may be accessed electronically at this/these address(es):

Federal Acquisition Regulation (FAR) clauses: <http://www.arnet.gov/far/loadmain52.html>

HUD Acquisition Regulation (HUDAR) clauses: <http://www.hud.gov/cts/ctshudar.html>

All applicable HUD publications and forms are available on the HUD Web Page at <http://www.hud.gov> then proceed with the following:

1. Select Handbooks/Forms

Select Forms and then you can either search by form number, key word or phrase.

(d) Inspection/Acceptance. The Contractor shall tender for acceptance only those items that conform to the requirements of this contract. The Government reserves the right to inspect or test any supplies or services that have been tendered for acceptance. The Government may require repair or replacement of nonconforming supplies or reperformance of nonconforming services at no increase in contract price. The Government must exercise its postacceptance rights--

(1) Within a reasonable period of time after the defect was discovered or should have been discovered; and

(2) Before any substantial change occurs in the condition of the item, unless the change is due to the defect in the item.

(e) Excusable delays. The Contractor shall be liable for default unless nonperformance is caused by an occurrence beyond the reasonable control of the Contractor and without its fault or negligence, such as acts of God or the public enemy, acts of the Government in either its sovereign or contractual capacity, fires, floods, epidemics, quarantine restrictions, strikes, unusually severe weather, and delays of common carriers. The Contractor shall notify the Contracting Officer in writing as soon as it is reasonably possible after the commencement of any excusable delay, setting forth the full particulars in connection therewith, shall remedy such occurrence with all reasonable dispatch, and shall promptly give written notice to the Contracting Officer of the cessation of such occurrence.

(f) Termination for the Government's convenience. The Government reserves the right to terminate this contract, or any part hereof, for its sole convenience. In the event of such termination, the Contractor shall immediately stop all work hereunder and shall immediately cause any and all of its suppliers and subcontractors to cease work. Subject to the terms of this contract, the Contractor shall be paid a percentage of the contract price reflecting the percentage of the work performed prior to the notice of termination, plus reasonable charges that the Contractor can demonstrate to the satisfaction of the Government, using its standard record keeping system, have resulted from the termination. The Contractor shall not be required to comply with the cost accounting standards or contract cost principles for this purpose. This paragraph does not give the Government any right to audit the Contractor's records. The Contractor shall not be paid for any work performed or costs incurred that reasonably could have been avoided.

(g) Termination for cause. The Government may terminate this contract, or any part hereof, for cause in the event of any default by the Contractor, or if the Contractor fails to comply with any contract terms and conditions, or fails to provide the Government, upon request, with adequate assurances of future performance. In the event of termination for cause, the Government shall not be liable to the Contractor for any amount for supplies or services not accepted, and the Contractor shall be liable to the Government for any and all rights and remedies provided by law. If it is determined that the Government improperly terminated this contract for default, such termination shall be deemed a termination for convenience.

(h) Warranty. The Contractor warrants and implies that the items delivered hereunder are merchantable and fit for use for the particular purpose described in this contract.



DEC 1992

2452.203-70

**PROHIBITION AGAINST THE USE OF FEDERAL  
EMPLOYEES**

2452.209-72

**ORGANIZATIONAL CONFLICTS OF INTEREST**

2452.222-70

**ACCESSIBILITY OF MEETINGS, CONFERENCES,  
AND SEMINARS TO PERSONS WITH  
DISABILITIES**

APR 1984

JUL 1988

**A.3 HUDAR 2452.237-73 CONDUCT OF WORK (APR 1984)**

ALTERNATE I (APR 1984)

(a) The Government Technical Representative (GTR) for liaison with the Contractor as to the conduct of work is Robert Reed, or a successor designated in writing by the Contracting Officer.

(b) The Contractor's work hereunder shall be carried out under the supervision of \_\_\_\_\_ (to be designated by contractor prior to award).

(c) The GTR shall provide direction on contract performance. Such direction must be within the contract scope of work and may not be of a nature which: (1) institutes additional work outside the scope of the contract; (2) constitutes a change as defined in FAR 52.243-1; (3) causes an increase or decrease in the cost of the contract; (4) alters the period of performance or delivery dates; or, (5) changes any of the other express terms or conditions of the contract.